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Counsel Sees 'Ample Basis' For Wide Iran-Contra Probe

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Independent counsel Lawrence E. Walsh said yesterday that he has turned up "ample basis" for pushing ahead with a broad criminal investigation of the Iran-contra affair, and he warned Congress that additional grants of immunity to key figures could have "a devastating effect on possible prosecutions."

At a news conference at the U.S. Courthouse here, Walsh said he hopes the Senate and House Iran-contra committees will change their position and decide against granting immunity to Lt. Col. Oliver L. North, the fired National Security Council staff member who is a key target of all the investigations.

He also refused to rule out seeking some indictments before congressional hearings begin next week.

Walsh, under congressional criticism for his determination to pursue the scandal under federal conspiracy law, made most of his remarks in a 17-page "interim report," the first issued by any special prosecutor or independent counsel under the 1978 Ethics in Government Act.

Congressional discontent with the scope and pace of Walsh's inquiry became public last week when Sen. Warren B. Rudman (R-N.H.) accused Walsh of pursuing a fruitless strategy of "some grand, wild conspiracy" at "ad nauseam" speed. Rudman suggested that Walsh narrow his inquiry to obstruction of justice, such as may have occurred when documents were altered and others shredded in North's office last November.

Walsh rejected the idea that his inquiry was moving slowly. He also made plain that he has yet to run into a dead end.

"There is no appropriate basis for narrowing independent counsel's investigation at this time," Walsh said in a section explicitly addressed to Rudman's comments. "Most lines of inquiry are proving fruitful. None has yet been abandoned."

The special prosecutor said he has 23 associate counsels, 35 agents of the Federal Bureau of Investigation, 11 Internal Revenue Service agents and four U.S. cus-

toms agents working on the investigation of the administration's secret arms sales to Iran and the covert pipeline of support that North and others arranged for rebel forces in Nicaragua.

In addition, the report said, a federal grand jury under Walsh's direction has been hearing testimony two to three full days a week since it was impaneled Jan. 28. Walsh's investigators have conducted 800 interviews and examined "hundreds of boxes of documents from the White House and the National Security Council . . . as well as approximately 200,000 pages of documents from the Central Intelligence Agency."

Ongoing investigations, Walsh added, are being conducted at the White House, Vice President Bush's office, the NSC, the President's Intelligence Oversight Board, the CIA and the State, Justice, Defense, Transportation and Treasury departments.

Walsh was outspoken on the subject of "limited" immunity from prosecution, which the House and Senate committees have already voted to grant to more than a dozen witnesses. At Walsh's urging, they have postponed a decision on North until June 4. [Another participant in the Iran-contra affair, retired major general Richard V. Secord, has agreed to testify without immunity, congressional sources told the Los Angeles Times last night. Secord earlier had invoked the Fifth Amendment.]

In his report, Walsh said that "given the special nature of this investigation, it would be particularly unfortunate if otherwise appropriate prosecutions were precluded by congressional grants of immunity."

"The allegations in the investigation," Walsh said, "concern possible violations of public trust and possible misuse of position by high government officials and their manipulation by former government officials. Large sums of public money are unaccounted for and those most knowledgeable resist public disclosure."

"In such matters," Walsh con-

cluded, "the public is entitled to a fair and deliberate prosecutive judgment. Additional grants of congressional immunity to central figures may frustrate the even-handed application of justice which would be expected as a matter of course for principal figures in less spectacular activities."

Walsh said he had accelerated his investigation, expediting segments "most likely to be the subject of congressional immunity."

At the same time, he said that federal court rulings make it extremely difficult to bring a successful prosecution against immunized witnesses, as the record of the Watergate scandals shows. No information derived from what a witness says under a grant of immunity may be used against him.

"Although two immunized witnesses in the Watergate matter—John Dean and Charles Colson—subsequently pleaded guilty," the report said in an underlined passage, "no immunized Watergate witness who refused to plead guilty was successfully tried and convicted."

Senate committee Chairman Daniel K. Inouye (D-Hawaii) and Rudman issued a joint statement later saying that they were "not contemplating additional grants of immunity to other central figures" and adding that it has been four months since Walsh started his investigation.

"Given the time that has elapsed, we are confident that the limited statutory use immunity we have granted will not prevent prosecutions where crimes have been committed," they said.